

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 8155**  
**BILL NUMBER: SB 549**

**DATE PREPARED:** Jan 22, 2001  
**BILL AMENDED:**

**SUBJECT:** Freeway Schools.

**FISCAL ANALYST:** Chuck Mayfield  
**PHONE NUMBER:** 232-4825

**FUNDS AFFECTED:** ☒ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		450,000	450,000
Net Increase (Decrease)		(450,000)	(450,000)

LOCAL IMPACT	CY 2001	CY 2002	CY 2003
Local Revenues	450,000	450,000	
Local Expenditures			
Net Increase (Decrease)	450,000	450,000	

**Summary of Legislation:** This bill sets forth statutes that may not be waived by a freeway school corporation or freeway school, instead of setting forth statutes and rules that may be waived. It allows a plan developed for a freeway school to be submitted to the freeway school's governing body as a strategic and continuous school improvement and achievement plan. The bill allows a governing body to enter into an agreement with an organizer to operate a freeway academy. It also sets forth the organization, powers, method of establishment, agreement contents, policies, oversight, and restrictions for freeway academies. The bill allows the employees of a freeway academy to organize and collectively bargain. It requires 100% of the teachers in a freeway academy to hold a license to teach in a public school. The bill also provides that if a school corporation eliminates a teaching position in a nonfreeway academy school because of a freeway academy, the legal or contractual provisions, if any, otherwise applicable to the teacher whose contract is canceled, continue to apply to that teacher. It allows the conversion of an existing public school to a freeway

academy if at least 51% of the teachers and 51% of the parents approve of the conversion.

**Effective Date:** July 1, 2001.

**Explanation of State Expenditures:** The bill appropriates \$450,000 from the State General Fund for each fiscal year of the biennium for the purpose of awarding \$45,000 to the first ten schools that are organized as freeway academies. The impact assumes that the grant is for a two-year period. The total appropriation for the biennium is \$900,000. Schools can currently establish freeway schools.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** The local impact assumes that ten new schools would be started in the 2001-2002 school year.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:** Local School Corporations.

**Information Sources:**